

IVEY, BARNUM & O'MARA, LLC
Melissa Zelen Neier (MZ 7510)
170 Mason Street
Greenwich, CT 06830
(203) 661-6000

Attorneys for Sonic Automotive, Inc.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X	:	
In re	:	Chapter 11
GENERAL MOTORS CORP., <i>et al.</i> ,	:	Case No. 09-50026 (REG)
Debtors.	:	(Jointly Administered)
-----X	:	

**OBJECTION OF SONIC AUTOMOTIVE, INC. AND CERTAIN OF ITS DIRECT AND
INDIRECT SUBSIDIARIES TO PROPOSED CURE AMOUNTS IN CONNECTION
WITH ASSUMPTION AND ASSIGNMENT OF DEALER AGREEMENTS**

Sonic Automotive, Inc. (“Sonic”), on behalf of itself and its direct and indirect subsidiaries listed in the chart below (collectively, the “Affected Sonic Dealerships”), hereby objects to the Debtors’ proposed Cure Amounts¹ in connection with the assumption and assignment of the Assumable Executory Contracts for the Affected Sonic Dealerships (collectively, the “Assumable Sonic Dealership Contracts”), and requests that the Court enter an order requiring the Debtors to pay the Affected Sonic Dealerships the following amounts, plus any other amounts which may be due and owing under the agreements as of the effective date of the assumption, in connection with the proposed assumption and assignment:

¹ Capitalized terms not otherwise defined herein shall have the meanings given to them in the Notice.

Dealership	Cure Amount²
Stevens Creek Cadillac, Inc., d/b/a St. Claire Cadillac	\$68,184
Sonic – Coast Cadillac, Inc., d/b/a Coast Cadillac	\$115,345
Arngar, Inc. (Pineville, NC location) d/b/a Arnold Palmer Cadillac - Pineville	\$97,657
Sonic – Newsome Chevrolet World, Inc., d/b/a Capitol Chevrolet	\$228,229
Sonic – Capitol Cadillac, Inc., d/b/a Capitol Cadillac	\$100,590
SAI Montgomery CH, LLC, d/b/a Capitol Chevrolet	\$250,936
Sonic – Las Vegas C West, LLC, d/b/a Cadillac of Las Vegas West	\$234,775
SAI Nashville CSH, LLC, d/b/a Crest Cadillac	\$258,066
Sonic – Lone Tree Cadillac, Inc., d/b/a Don Massey Cadillac – Lone Tree	\$132,495
Sonic – Plymouth Cadillac, Inc. d/b/a Don Massey Cadillac - Plymouth	\$267,806
Sonic – Frank Parra Autoplex, LP d/b/a Frank Parra Chevrolet	\$273,616
Sonic – LS Chevrolet, LP, d/b/a Lone Star Chevrolet	\$1,161,098

² Effective as of June 9, 2009, the most recent figures available to Sonic.

Sonic – Cadillac D, LP, d/b/a Massey Cadillac – Dallas	\$272,012
SAI Orlando CS, LLC (4241 N. John Young Parkway), d/b/a Massey Cadillac of Orlando – North	\$135,820
SAI Orlando CS, LLC (8819 S. Orange Blossom Trail), d/b/a Massey Cadillac of Orlando – South	\$63,442
Sonic-Newsome of Florence, Inc., d/b/a Newsome Chevrolet	\$80,171
SAI Riverside C, LLC, d/b/a Riverside Chevrolet	\$224,084
Sonic Automotive – 3401 N. Main, TX, LP, d/b/a Ron Craft Chevrolet Cadillac	\$572,237
SAI Broken Arrow C, LLC, d/b/a Speedway Chevrolet	\$376,261

In support of this objection, Sonic states as follows:

Background

1. The Affected Sonic Dealerships are all direct or indirect subsidiaries of Sonic, a Charlotte, North Carolina based company which (through its subsidiaries) owns car dealerships throughout the United States.
2. Each of the Affected Sonic Dealerships is party to a Dealer Sales and Service Agreement and various other agreements with the Debtors related to the operation of their respective dealerships.

Assumption and Assignment of the Dealership Agreements

3. Each of the Affected Sonic Dealerships received, signed, and returned in a timely manner the “Participation Agreement” and the amendment thereto which were sent by the Debtors to those dealers whose agreements are to be assumed and assigned to the Purchaser. Therefore, each of the Affected Sonic Dealerships believes that its agreements with the Debtors are Assumable Executory Contracts.

4. Some of the Affected Sonic Dealerships have received a Notice of (I) Debtors’ Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property and (II) Cure Amounts Related Thereto (the “Notice”). The Affected Sonic Dealerships that have not received the Notice believe they are intended recipients of the Notice and have not received it due to administrative oversight or a delay in delivery.

5. For those Affected Sonic Dealerships that have received the Notice and the accompanying user ID and password, the Contract Website shows only the name of the dealer, and states that one contract will be assumed. However, the Contract Website does not show the Debtors’ proposed cure amounts for such contracts.

6. The Affected Sonic Dealerships that have not received the Notice are unable to determine the proposed Cure Amount for their contracts, because they do not have the user ID and password required to access the Contract Website.

7. As of June 9, 2009, the amounts due and owing to the Affected Sonic Dealerships under the Assumable Sonic Dealership Contracts were as follows:

Dealership	Warranty	Incentive	Holdback	Other	Total
Stevens Creek Cadillac, Inc., d/b/a St. Claire Cadillac	11,077	48,002	8,825	280	\$68,184
Sonic – Coast Cadillac, Inc., d/b/a Coast Cadillac	3,239	65,911	23,225	22,970	\$115,345
Arngar, Inc. d/b/a Arnold Palmer Cadillac - Pineville	12,844	72,537	2,195	10,081	\$97,657
Sonic – Newsome Chevrolet World, Inc., d/b/a Capitol Chevrolet	8,798	116,644	48,208	54,579	\$228,229
Sonic – Capitol Cadillac, Inc., d/b/a Capitol Cadillac	35,828	32,897	5,857	26,008	\$100,590
SAI Montgomery CH, LLC, d/b/a Capitol Chevrolet	52,513	73,452	72,795	52,176	\$250,936
Sonic – Las Vegas C West, LLC, d/b/a Cadillac of Las Vegas West	68,419	35,577	39,378	91,401	\$234,775
SAI Nashville CSH, LLC, d/b/a Crest Cadillac	32,913	86,354	81,930	56,869	\$258,066
Sonic – Lone Tree Cadillac, Inc., d/b/a Don Massey Cadillac – Lone Tree	20,104	22,486	48,533	41,372	\$132,495
Sonic – Plymouth Cadillac, Inc. d/b/a Don Massey Cadillac – Plymouth	23,019	105,379	66,899	72,509	\$267,806
Sonic – Frank Parra Autoplex, LP d/b/a Frank Parra Chevrolet	23,532	129,147	63,767	57,170	\$273,616
Sonic – LS Chevrolet, LP, d/b/a Lone Star Chevrolet	71,690	557,224	186,216	345,968	\$1,161,098

Sonic – Cadillac D, LP, d/b/a Massey Cadillac – Dallas	70,373	92,916	5,413	103,310	\$272,012
SAI Orlando CS, LLC d/b/a Massey Cadillac of Orlando – North	50,178	55,465	14,306	15,871	\$135,820
SAI Orlando CS, LLC, d/b/a Massey Cadillac of Orlando – South	19,561	12,785	17,413	13,683	\$63,442
Sonic-Newsome of Florence, Inc., d/b/a Newsome Chevrolet	15,312	32,582	876	31,401	\$80,171
SAI Riverside C, LLC, d/b/a Riverside Chevrolet	7,124	108,082	41,416	67,462	\$224,084
Sonic Automotive – 3401 N. Main, TX, LP, d/b/a Ron Craft Chevrolet Cadillac	24,605	229,944	179,513	138,175	\$572,237
SAI Broken Arrow C, LLC, d/b/a Speedway Chevrolet	19,503	168,091	73,447	115,220	\$376,261

8. In accordance with 11 U.S.C. § 365(b)(1), the Debtors must pay the amounts specified in paragraph 7 (plus any other amounts which may be due and owing under the Assumable Sonic Dealership Contracts as of the effective date of the assumption) in connection with any assumption and assignment of the Assumable Sonic Dealership Contracts.

WHEREFORE, the Affected Sonic Dealerships respectfully request that the Court enter an Order:

A. requiring the Debtors to pay the Cure Amounts specified in paragraph 7 above, plus any other amounts which may be due and owing under the Assumable Sonic Dealership

Contracts as of the effective date of the assumption, in connection with the assumption and assignment of the Assumable Sonic Dealership Contracts; and

B. granting such other and further relief as the Court deems just and proper.

DATED this 15th day of June, 2009.

FOR SONIC AUTOMOTIVE, INC.

BY: /s/ Melissa Zelen Neier
Melissa Zelen Neier, Esq.
IVEY, BARNUM, AND O'MARA, LLC
170 Mason Street
Greenwich, CT 06830
mneier@ibolaw.com
Telephone: (203) 661-6000
Fax: (203) 661-9462

-and-

Kiah T. Ford IV
Parker Poe Adams & Bernstein LLP
Three Wachovia Center
401 S. Tryon Street, Suite 3000
Charlotte, North Carolina 28202
Telephone (704) 372-9000
chipford@parkerpoe.com